



J. TYLER McCAULEY
AUDITOR-CONTROLLER

**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

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July 18, 2006

TO: Mayor Michael D. Antonovich
Supervisor Gloria Molina
Supervisor Yvonne B. Burke
Supervisor Zev Yaroslavsky
Supervisor Don Knabe

FROM: J. Tyler McCauley 
Auditor-Controller

SUBJECT: NATIONAL MENTAL HEALTH ASSOCIATION OF GREATER LOS ANGELES CONTRACT COMPLIANCE REVIEW

We have completed a contract compliance review of National Mental Health Association of Greater Los Angeles (MHA-LA or Agency), a Department of Mental Health Services (DMH) service provider.

Background

DMH contracts with MHA-LA, a private, non-profit, community-based organization, which provides services to clients countywide. Services include interviewing program participants, assessing their mental health needs, and developing and implementing a treatment plan.

Our review focused on approved Medi-Cal billings where at least 35% of the total service cost was paid using County General Funds. The services include Targeted Case Management Services, Mental Health Services, Medication Support Services, Crisis Intervention. MHA-LA's headquarters is located in the Fourth District.

For our review period, DMH paid MHA-LA between \$1.62 and \$3.11 per minute of staff time (\$97.20 to \$186.60 per hour) for services that receive this type of funding. DMH contracted with MHA-LA to provide approximately \$11.7 million in services overall for Fiscal Year 2005-06. MHA-LA contracted to provide \$498,000 in services for Medi-Cal billings where at least 35% of the total service cost was paid using County General Funds.

Purpose/Methodology

The purpose of the review was to determine whether MHA-LA provided the services outlined in their contract with the County. Our monitoring visit included a review of a sample of MHA-LA's billings, participant charts, and personnel and payroll records. We also interviewed staff from MHA-LA and interviewed a sample of the participants' parents and guardians at the Antelope Valley location.

Results of Review

Overall, MHA-LA provided the program services outlined in the County contract. The Agency used qualified staff and the participants interviewed stated that the services they received met their expectations.

MHA-LA did not sufficiently document 2,422 (45%) of the 5,398 service minutes sampled. Specifically, the Progress Notes did not describe what the client or service staff attempted and/or accomplished towards the clients' goals.

We have attached the details of our review, along with recommendations for corrective action.

Review of Report

We discussed the results of our review with MHA-LA on June 6, 2006. In their attached response, MHA-LA generally agreed with the results of our review and described their corrective actions to address the findings and recommendations contained in the report.

We thank MHA-LA management for their cooperation and assistance during this review. Please call me if you have any questions, or your staff may contact Don Chadwick at (626) 293-1102.

JTM:MMO:DC

Attachment

c: David E. Janssen, Chief Administrative Officer
Dr. Marvin J. Southard, Director, Department of Mental Health
Richard Van Horn, Executive Director, National Mental Health Association of Greater
Los Angeles
Public Information Office
Audit Committee

**COUNTYWIDE CONTRACT MONITORING REVIEW
FISCAL YEAR 2005-2006
NATIONAL MENTAL HEALTH ASSOCIATION OF GREATER LOS ANGELES**

BILLED SERVICES

Objective

Determine whether National Mental Health Association of Greater Los Angeles (MHA-LA or Agency) provided the services billed in accordance with their contract with Department of Mental Health (DMH).

Verification

We judgmentally selected 5,398 minutes from 53,049 service minutes of approved Medi-Cal billings to DMH where at least 35% of the total service cost was paid using County General Funds. We reviewed the Progress Notes and Client Care Plans maintained in the clients' charts. We also reviewed a sample of 10 Assessments. The 5,398 minutes represent services provided to 24 program participants.

Although we started our review in February 2006, the most current billing information available from DMH's billing system was September and October 2005.

Results

MHA-LA did not sufficiently document 2,422 (45%) of the 5,398 service minutes sampled. Specifically, the Progress Notes used to document the billings did not describe what the client or service staff attempted and/or accomplished towards the clients' goals.

In addition, the Agency billed 145 minutes at a rate higher than the contract allows. The Agency billed at the Crisis Intervention Service rate but the Progress Notes indicate the Agency should have billed the rate for Mental Health Services, which is a lower rate. The over-billings totaled \$305.

Assessments and Client Care Plans

One of the ten clients sampled was referred to the Agency by a DMH clinic. Whenever a client is referred to an Agency, the Agency is responsible for obtaining the participant's Assessment completed by the referring entity. However, the Agency did not maintain a copy of the Assessment for this client. The Agency explained that they requested a copy of the Assessment in April and September 2005. However, we conducted our review in February 2006 and the Agency should have continued to follow up with DMH to obtain the required Assessment.

In addition, two (8%) of 24 charts reviewed did not contain a Client Care Plan for each type of treatment billed and two Client Care Plans were not signed by the client, as required by the contract. A Client Care Plan identifies the type of treatment the contractor will provide the client to address the issues identified in the Assessment.

Recommendations

MHA-LA management:

1. Repay DMH \$305 for the amount over-billed.
2. Properly document all services billed to DMH.
3. Ensure that Assessments are maintained for each client that the Agency serves.
4. Ensure that the a Client Care Plan is developed and signed by the client for each service provided.

CLIENT VERIFICATION

Objectives

Determine whether the program participants received the services that MHA-LA billed DMH.

Verification

We interviewed nine participants to confirm that the participants were clients of MHA-LA and that they received the services that the Agency billed DMH.

Results

The nine program participants interviewed stated that they received services from the Agency and the services met their expectations.

Recommendation

There are no recommendations for this section.

STAFFING LEVELS

The objective of this section is to determine whether the Agency maintained the appropriate staffing ratios for applicable services.

We did not perform test work in this section, as the Agency does not provide services that require staffing ratios for this particular funding program.

STAFFING QUALIFICATIONS

Objective

Determine whether MHA-LA's Antelope Valley treatment staff possessed the required qualifications to provide the services.

Verification

We reviewed the California Board of Behavioral Sciences' website and/or the personnel files for 19 of 40 MHA-LA Antelope Valley treatment staff for documentation to confirm their qualifications.

Results

Each employee in our sample possessed the qualifications required to deliver the services billed.

Recommendation

There are no recommendations for this section.



National Mental Health Association of Greater Los Angeles

Antelope Valley Services

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July 6, 2006

J. Tyler McCauley
LA County Department of Auditor-Controller
Kenneth Hahn-Hall of Administration
500 West Temple Street, Room 525
Los Angeles, CA 90012-2766

Re: Contract Compliance Review Response

Dear J. Tyler McCauley:

Thank you for accepting this letter as our formal response to the recent Medi-Cal review conducted by the Countywide Contract Monitoring Division. We received a draft copy of the review and are pleased to present you with this response.

First, we were happy to learn that there were no recommendations in the Client Verification, Staffing Levels or Staffing Qualifications sections of the audit. We are pleased and proud that our internal QA/QI processes and training efforts have yielded substantial compliance in these areas, and we will continue with our standards and policies in these areas.

The Billed Services section lists four recommendations that require attention and a response.

- 1) **Repay DMH \$305 for the amount over billed.** We will make our agency's Finance and Accounting Department aware of this, should County DMH decide to present MHA with a bill for this item.
- 2) **Maintain sufficient documentation to support its compliance with contract requirements for the services billed to DMH.** As discussed during our Exit Interview, this specifically relates to the auditor's comment that some of our documentation is insufficient because the described service does not relate directly to the client's goals as stated in their Service Plan. As an agency that utilizes a consumer-centered and recovery-based model for all of its services, MHA encourages immediate responses to the needs of consumers. Although service plans are completed for all MHA consumers, the multiple and often urgent or complicated day-to-day mental health service needs of consumers with severe and persistent mental illness may not always specifically coincide with the specific goals, barriers and/or interventions as stated in their service plan. This does not make these needs any less important, because they relate directly to the consumer's mental health

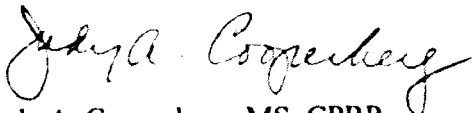


stability - and therefore the overall ability to pursue the goals as stated in their service plan. Should other mental-health related interventions be needed and/or requested by the consumer, the responsible staff person is asked to meet with them and reformulate a service plan in keeping with what may in fact be new goals, related barriers and corresponding interventions. Having said this, however, we do also recognize the need for continued training and improvement in the areas of goal planning and documentation of services as they relate to goals, and have initiated a program-wide Documentation and Planning (DAP) committee to address these issues.

- 3) **Ensure that Assessments are maintained for each client that the Agency serves.** Because MHA's contract binds us to DMH guidelines, in those cases where we are not the client's SFPR we have and will continue to request the required documents from the SFPR (DMH). According to our records, all instances of missing assessments uncovered during the audit were the result of unanswered requests (sometimes multiple requests) to the SFPR. In all other cases, MHA does complete necessary assessments and has a quality assurance person check to make sure these are done for every client in a timely manner. In addition to our above efforts we have established monthly coordinated meetings with DMH to ease the exchange of paperwork. Our QA person is also making efforts to track requests for the assessment addendums, among other paperwork, in order to ensure that attempts to retrieve the required paperwork is maximized.
- 4) **Ensure that the client care plan is developed and signed by the client for each service provided.** We recognize the need for improved documentation in this area - specifically detailed documentation of attempts to obtain signatures including specific notation of reasons why signature may not be available - and are addressing these issues in our DAP committee.

We want to extend our sincere appreciation to the Auditor-Controller's office for their efforts made on our behalf during this review. The entire staff was patient, helpful and courteous, allowing us multiple opportunities for discussion and clarification during the process, and we wish to thank and commend them for their professionalism.

Respectfully yours,



Judy A. Cooperberg, MS, CPRP
Director, Antelope Valley Programs